

§ 3134.1

43 CFR Ch. II (10–1–08 Edition)

(5) A detailed statement of expenses and costs of operating the entire lease, including the amount of any overriding royalty and payments out of production or similar interests applicable to your lease;

(6) All facts that demonstrate the waiver, suspension, or reduction of the rental or minimum royalty, or the reduction of the royalty rate encourages the greatest ultimate recovery of oil or gas or it is in the interest of conservation; and

(7) All facts that demonstrate you cannot successfully operate the lease under the terms of the lease;

(8) Any other information BLM requires.

(b) Your application must be signed by—

(1) All record title holders of the lease; or

(2) By the operator on behalf of all record title holders.

[67 FR 17885, Apr. 11, 2002, as amended at 73 FR 6442, Feb. 4, 2008]

Subpart 3134—Bonding: General

§ 3134.1 Bonding.

(a) Prior to issuance of an oil and gas lease, the successful bidder shall furnish the authorized officer a surety or personal bond in accordance with the provisions of § 3104.1 of this title in the sum of \$100,000 conditioned on compliance with all the lease terms, including rentals and royalties, conditions and any stipulations. The bond shall not be required if the bidder already maintains or furnishes a bond in the sum of \$300,000 conditioned on compliance with the terms, conditions and stipulations of all oil and gas leases held by the bidder within NPR-A, or maintains or furnishes a nationwide bond as set forth in § 3104.3(b) of this title and furnishes a rider thereto sufficient to bring total coverage to \$300,000 to cover all oil and gas leases held within NPR-A.

(b) A bond in the sum of \$100,000 or \$300,000, or a nationwide bond as provided in § 3104.3(b) of this title with a rider thereto sufficient to bring total coverage to \$300,000 to cover all oil and gas leases within NPR-A, may be provided by an operating rights owner (sublessee) or operator in lieu of a bond

furnished by the lessee, and shall assume the responsibilities and obligations of the lessee for the entire leasehold in the same manner and to the extent as though he/she were the lessee.

(c) If as a result of a default, the surety on a bond makes payment to the United States of any indebtedness under a lease secured by the bond, the face amount of such bond and the surety's liability shall be reduced by the amount of such payment.

(d) A new bond in the amount previously held or a larger amount as determined by the authorized officer shall be posted within 6 months or such shorter period as the authorized officer may direct after a default. In lieu thereof, separate or substitute bonds for each lease covered by the prior bond may be filed. The authorized officer may cancel a lease(s) covered by a deficient bond(s), in accordance with § 3136.3 of this title. Where a bond is furnished by an operator, suit may be brought thereon without joining the lessee when such lessee is not a party to the bond.

(e) Except as provided in this subpart, the bonds required for NPR-A leases are in addition to any other bonds the successful bidder may have filed or be required to file under §§ 3104.2, 3104.3(a) and 3154.1 and subparts 3206 and 3209 of this title.

[46 FR 55497, Nov. 9, 1981, as amended at 53 FR 17358, May 16, 1988; 53 FR 22846, June 17, 1988]

§ 3134.1–1 Form of bond.

All bonds furnished by a lessee, operating rights owner (sublessee), or operator shall be on a form approved by the Director.

[46 FR 55497, Nov. 9, 1981, as amended at 53 FR 17358, May 16, 1988]

§ 3134.1–2 Additional bonds.

(a) The authorized officer may require the bonded party to supply additional bonding in accordance with § 3104.5(b) of this chapter.

(b) The holders of any oil and gas lease bond for a lease on the NPR-A shall be permitted to obtain a rider to

Bureau of Land Management, Interior

§ 3135.1-3

include the coverage of oil and gas geophysical operations within the boundaries of NPR-A.

[46 FR 55497, Nov. 9, 1981, as amended at 53 FR 17358, May 16, 1988; 73 FR 6442, Feb. 4, 2008]

Subpart 3135—Transfers, Extensions, Consolidations, and Suspensions

§ 3135.1 Transfers and extensions, general.

§ 3135.1-1 Transfers.

(a) Subject to approval of the authorized officer, a lessee may transfer his/her lease(s), or any undivided interest therein, or any legal subdivision, to anyone qualified under §§3130.1 and 3132.4 of this title to hold a lease.

(b) Any approved transfer shall be deemed to be effective on the first day of the lease month following its filing in the proper BLM office, unless, at the request of the parties, an earlier date is specified in the approval.

(c) The transferor shall continue to be responsible for all obligations under the lease accruing prior to the approval of the transfer.

(d) The transferee shall be responsible for all obligations under the lease subsequent to the effective date of a transfer, and shall comply with all regulations issued under the Act.

(e) When a transfer of operating rights (sublease) is approved, the sublessee is responsible for all obligations under the rights transferred to the sublessee.

(f) Transfers are approved for administrative purposes only. Approval does not warrant or certify that either party to a transfer holds legal or equitable title to a lease.

[46 FR 55497, Nov. 9, 1981, as amended at 53 FR 17359, May 16, 1988; 53 FR 31867, Aug. 22, 1988]

§ 3135.1-2 Requirements for filing of transfers.

(a)(1) All instruments of transfer of lease or of an interest therein, including operating rights, subleases and assignments of record-title shall be filed in triplicate for approval. Such instruments shall be filed within 90 days from the date of final execution. The

instruments of transfer shall include a statement, over the transferee's own signature, with respect to citizenship and qualifications as required of a bidder under §3132.4 of this title and shall contain all of the terms and conditions agreed upon by the parties thereto. Carried working interests, overriding royalty interests or payments out of production or other interest may be created or transferred without approval.

(2) An application for approval of any instrument that the regulations require you to file must include the processing fee for assignments and transfers found in the fee schedule in §3000.12 of this chapter. Any document that the regulations in this part do not require you to file, but that you submit for record purposes, must also include the processing fee for assignments and transfers found in the fee schedule in §3000.12 of this chapter for each lease affected. Such documents may be rejected by the authorized officer.

(b) An attorney-in-fact, on behalf of the holder of a lease, operating rights or sublease, shall furnish evidence of authority to execute the transfer or application for approval and the statement required by §3132.5(g) of this title.

(c) Where a transfer of record title creates separate leases, a bond shall be furnished covering the transferred lands in the amount prescribed in §3134.1 of this title. Where a transfer does not create separate leases, the transferee, if the transfer so provides and the surety consents, may become co-principal on the bond with the transferor.

[46 FR 55497, Nov. 9, 1981, as amended at 53 FR 17359, May 16, 1988; 70 FR 58875, Oct. 7, 2005]

§ 3135.1-3 Separate filing for transfers.

A separate instrument of transfer shall be filed for each lease on a form approved by the Director or an exact reproduction of the front and back of such form. Any earlier editions of the current form are deemed obsolete and are unacceptable for filing. When transfers to the same person, association or corporation, involving more than 1 lease are filed at the same time for approval, 1 request for approval and